

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Julie Lopez Dad has been a planning commissioner for the City of Santa Monica since July 5, 2000. As a planning commissioner, Respondent was required by Sections 87200 and 87203 of the Political Reform Act (the “Act”) <sup>1</sup> to file an annual statement of economic interests (“SEI”) by April 2, 2001, disclosing the economic interests that she held during the preceding calendar year.

In this matter, Respondent failed to timely file an annual SEI for calendar year 2000. The Enforcement Division handled this case on an expedited basis under the SEI Expedited Procedures adopted by the Commission in July of 1999. For the purposes of this Stipulation, Respondent’s violation is stated as follows:

As a planning commissioner for the City of Santa Monica, Respondent Julie Lopez Dad failed to timely file a 2000 annual statement of economic interests, by April 2, 2001, in violation of section 87203 of the Government Code.

### **SUMMARY OF THE LAW**

In order to avoid conflicts of interest, Section 81002, subdivision (c) provides that the assets and income of public officials, which may be materially affected by their official actions, should be disclosed and in appropriate circumstances the officials should be disqualified from acting.

Section 87200 lists the specific public officials who are required to file an SEI under provisions of the Act, including members of planning commissions. Section 87203 states that each person holding an office listed in Section 87200 must file an annual SEI disclosing investments, interests in real property, and income held since the previous SEI was filed.

Regulation 18723, subdivision (b)(2) provides that the deadline for filing an annual SEI for city planning commissioners is April 1<sup>st</sup> of the following year.<sup>2</sup>

### **SUMMARY OF THE FACTS**

On July 5, 2000, Respondent Julie Lopez Dad assumed office as a member of the Santa Monica Planning Commission. Respondent filed her assuming office SEI on August 16, 2000,

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. Commission regulations appear at Title 2, California Code of Regulations, section 18109, *et seq.* All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> Under Regulation 18116, Respondent Dad was required to file her SEI by Monday April 2, 2001, because the April 1<sup>st</sup> date fell on a Sunday.

disclosing that she had no reportable economic interests. As a planning commissioner, Respondent Dad is required to file an annual SEI with the Santa Monica City Clerk reporting disclosable economic interests that she held in the preceding calendar year. Respondent Dad was required to file her 2000 annual SEI on or before April 2, 2001.

On February 28, 2001, Santa Monica City Clerk Maria Stewart sent a memorandum to Respondent Dad, and other Santa Monica city officials, advising that the deadline for filing their year 2000 annual SEI was April 2, 2001. Despite this reminder, Respondent failed to file a year 2000 annual SEI by the April 2, 2001 due date, in violation of Section 87203.

On April 16, 2001, Ms. Stewart sent a certified letter to Respondent Dad, advising that her 2000 annual SEI had not been received. When she did not receive a response to this letter, Ms. Stewart left a voice mail message for Respondent on May 29, 2001 about her delinquent filing, and advised her that the matter would be referred to the Fair Political Practices Commission (the "Commission").

On June 12, 2001, Ms. Stewart spoke with Respondent Dad at a city council meeting about her delinquent SEI filing. Respondent Dad stated that she thought she had filed her 2000 annual SEI, but found the form at home and mailed it to the City Clerk's office. By June 14, 2001, the City Clerk's office still had not received Respondent's SEI. On the same date, Denise Anderson-Warren of the City Clerk's office left a voice mail message for Respondent Dad, advising that her SEI had not been received, and the matter was being referred to the Commission. On June 21, 2001, the City Clerk's office referred the matter to the Commission's Technical Assistance Division (the "TAD").

On June 27, 2001, the TAD sent a letter to Respondent Dad, stating that her 2000 annual SEI was past due, and requesting that it be filed within 30 days. On August 2, 2001, after receiving no reply from the Respondent, the TAD sent a second letter to Respondent Dad, again stating that her SEI had not been received, and urging her to file the statement immediately.

On August 21, 2001, when Respondent still had not filed the delinquent SEI, the TAD referred the matter to the Commission's Enforcement Division. On August 28, 2001, Enforcement Division Investigator Dan Schek left a voice mail message at Respondent Dad's place of business, advising Respondent that she needed to file her delinquent 2000 annual SEI. Respondent did not reply to this message. Investigator Schek confirmed that the Santa Monica Planning Commission meets twice a month, and that Respondent had been present at each meeting. On July 9, 2002, Investigator Schek confirmed that Respondent had still not filed her delinquent SEI.

The matter was assigned to Senior Commission Counsel Melodee A. Mathay, who sent Respondent a letter dated July 10, 2002, regarding her failure to file the year 2000 annual SEI and offering to resolve the matter for a stipulated fine. In conjunction with this letter, Ms. Mathay initiated probable cause proceedings, and served a probable cause report on Respondent Dad. Respondent Dad failed to respond to the settlement offer, to request a probable cause conference, or to file a written response to the probable cause report. On September 3, 2002, Executive Director Mark Krausse issued an Order Finding Probable Cause that Respondent Dad had violated the Act, and directed that an Accusation be filed against Respondent Dad.

On March 19, 2003, an Accusation and Order Finding Probable Cause, along with other administrative hearing documents, were personally served on Respondent Dad. In lieu of filing a Notice of Defense in response to the Accusation, Respondent Dad filed the delinquent 2000 annual SEI on May 1, 2003, and entered into a stipulated settlement of this matter. The 2000 annual SEI disclosed that Respondent Dad had no reportable interests for that calendar year.

### **CONCLUSION**

This matter consists of one count of violating Section 87203, which carries a maximum possible administrative penalty of Five Thousand Dollars (\$5,000.00). Under the SEI Expedited Procedures adopted by the Commission in July 1999, the approved administrative penalty for an individual who files a delinquent SEI within 30 days of being contacted by an Enforcement Division investigator is between Two Hundred and Three Hundred Dollars (\$200-\$300). The approved administrative penalty for an individual who does not file a delinquent SEI until after being contacted by an Enforcement Division attorney is between Four Hundred and Six Hundred Dollars (\$400-\$600). A higher penalty, between Seven Hundred and One Thousand Dollars (\$700-\$1,000), is warranted when the Enforcement Division attorney must initiate probable cause proceedings, issue an Accusation, and personally serve the Accusation on the respondent.

In this matter, Respondent Dad disregarded numerous notifications regarding her duty as a public official to file a year 2000 annual SEI, and did not file the SEI until an Accusation was personally served upon her. Therefore, the imposition of an administrative penalty of One Thousand Dollars (\$1,000) is justified.